

Senate Bill No. 220

CHAPTER 126

An act to amend Section 10203.4 of the Insurance Code, relating to insurance.

[Approved by Governor July 26, 2011. Filed with
Secretary of State July 26, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 220, Price. Life insurance: group policies.

Existing law provides that coverage for unmarried dependent children under a group life insurance policy may continue through 20 years of age, or through 24 years of age if the dependent child is attending an educational institution, or may continue for a child 21 years of age or older who is both incapable of self-sustaining employment by reason of mental retardation or physical handicap.

This bill would provide that coverage for dependent children under a group life insurance policy may continue until 26 years of age, regardless of the child's marital status or whether the child is attending an educational institution, and would provide for that coverage to continue for a child 26 years of age or older who is both incapable of self-sustaining employment by reason of mental retardation or physical handicap and chiefly dependent upon the employee under the group policy for support and maintenance, as specified.

The people of the State of California do enact as follows:

SECTION 1. Section 10203.4 of the Insurance Code is amended to read:

10203.4. (a) Insurance under any group life insurance policy issued pursuant to Sections 10202, 10202.8, 10203, 10203.1, and 10203.7 may be extended to insure the dependents, or any class or classes thereof, of each insured employee who so elects, in amounts in accordance with some plan that precludes individual selection and that shall not be in excess of 100 percent of the insurance on the life of the insured employee.

(b) "Dependent" includes the member's spouse and all children from birth until 26 years of age, or a child 26 years of age or older who is both incapable of self-sustaining employment by reason of mental retardation or physical handicap and chiefly dependent upon the employee for support and maintenance if proof of the incapacity and dependency is furnished to the insurer by the employee within 31 days of the child's attainment of the limiting age and subsequently as may be required by the insurer, but not

more frequently than annually after the two-year period following the child's attainment of the limiting age.

(c) The premiums for the insurance on the dependents may be paid by the employer, the employee, or the employer and the employee jointly.